

H.R. 676, “The United States National Health Insurance Act,” Or “Expanded & Improved Medicare For All”

Introduced by Rep. John Conyers, Jr.

Brief Summary of Legislation

H.R. 676, the United States National Health Insurance Act (USNHI), establishes a unique American universal health insurance program with single payer financing. The bill would create a publicly financed, privately delivered health care system that improves and expands the already existing Medicare program to all U.S. residents, and all residents living in U.S. territories. The goal of the legislation is to ensure that all Americans will have access, guaranteed by law, to the highest quality and most cost effective health care services regardless of their employment, income or health care status. With 47 million uninsured Americans, and another 50 million who are underinsured, the time has come to change our inefficient and costly fragmented non-system of health care.

Eligibility

Every person living or visiting in the United States and the U.S. Territories would receive a United States National Health Insurance Card and ID number once they enroll at the appropriate location. Social Security numbers may not be used when assigning ID cards.

Health Care Services Covered

This program will cover all medically necessary services, including primary care, inpatient care, outpatient care, emergency care, prescription drugs, durable medical equipment, hearing services, long term care, mental health services, dentistry, eye care, chiropractic, and substance abuse treatment. Patients have their choice of physicians, providers, hospitals, clinics, and practices. No co-pays or deductibles are permissible under this act.

Conversion To A Non-Profit Health Care System

Private health insurers shall be prohibited under this act from selling coverage that duplicates the benefits of the USNHI program. Exceptions to this rule include coverage for cosmetic surgery, and other medically unnecessary treatments. Those who are displaced as the result of the transition to a non-profit health care system are the first to be hired and retrained under this act. Those not rehired would receive 2 years unemployment benefits. The conversion to a not-for-profit health care system will take place over a 15 year period, through the sale of U.S. treasury bonds.

Cost Containment Provisions/ Reimbursement

The USNHI program will negotiate reimbursement rates annually with physicians, allow for “global budgets” (monthly lump sums for operating expenses) for hospitals, and negotiate prices for prescription drugs, medical supplies and equipment. A “Medicare For All Trust Fund” will be established to ensure a dedicated stream of funding. An annual appropriation is also authorized to ensure optimal levels of funding for the program

(Over)

H.R. 676 Would Reduce Health Care Costs

Families Will Pay Less

Currently, the average family of four covered under an employee health plan spends a total of \$4,225 on health care annually – \$2,713 on premiums and another \$1,522 on medical services, drugs and supplies (Employer Health Benefits 2006 Annual Survey, Kaiser Family Foundation and Health Research and Educational Trust; U.S. Department of Labor, Bureau of Labor Statistics, Consumer Expenditure Survey.) This figure does not include the additional 1.45% Medicare payroll tax levied on employees. Under H.R. 676, a family of four making the median family income of \$56,200 per year would pay about \$2,700 for all health care costs, including the current Medicare tax.

Business Will Pay Less

In 2006, health insurers charged employers an average of \$11,500 for a health plan for a family of four. On average, the employer paid 74% of this premium, or \$8,510 per year. This figure does not include the additional 1.45% payroll tax levied on employers for Medicare. Under H.R. 676, employers would pay a 4.75% payroll tax for all health care costs, including the current Medicare tax. For an employee making the median annual family income of \$56,200, the employer would pay about \$2,700 per year.

The Nation Will Pay About the Same, While Covering All Americans

Savings from reduced administration, bulk purchasing, and coordination among providers will allow coverage for all Americans while reducing health care inflation in the long term. Annual savings from enacting H.R. 676 are estimated at \$387 billion (Baker).

Proposed Funding For USNHI Program

- Maintain current federal and state funding for existing health care programs
- Establish employer/employee payroll tax of 4.75% (includes present 1.45% Medicare tax)
- Establish a 5% health tax on the top 5% of income earners, 10% tax on top 1% of wage earners
- ¼ of 1% stock transaction tax
- Close corporate tax loopholes
- Repeal the Bush tax cuts for the highest income earners

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